

REMARKS

Claims 1-47 are pending in the application. By this Amendment, claims 1, 21, and 41 are amended. Reconsideration and allowance in view of the foregoing amendments and following remarks are respectfully requested. No new matter has been added by this Amendment.

A. The Interview

An Examiner Interview was conducted on June 29, 2007 with Examiner Stefano Karmis. Applicant and Applicant's representative thank the Examiner for the courtesies that were extended at the Interview.

In the Interview, various features of the invention were discussed. Further, the claimed invention vis-à-vis the applied art was discussed. In particular the newly applied art to Johnson et al (U.S. Patent 6,999,943) was discussed, as were the various past indications of allowable subject matter. Further details of the discussions in the Interview are set forth below.

B. The 35 U.S.C. 102 Rejection

In the Office Action, claims 1-47 are rejected under 35 U.S.C. 102(e) as being anticipated by Johnson et al. (hereinafter Johnson) U.S. Patent 6,999,943. This rejection is traversed.

The features of claim 1 are set forth above.

The Office Action sets forth various assertions regarding the teachings of Johnson vis-à-vis the features of claim 1. In particular, on page 3, the Office Action asserts that Johnson teaches:

wherein the processor;  
determines from a set of payment mechanisms a reduced set of payment mechanisms, the reduced set being a set of payment mechanisms from which one payment mechanism is determined to effect the transmission of funds (column 10, lines 32-57 and column 12, lines 1-41 and column 17, lines 53 thru column 18, line 14;  
Examiner notes that reducing the payment mechanism to one qualifies as a reduced set);  
after determining the reduced set of payment mechanisms, the processor performs the optimization determination (column 10, lines 32-57 and column 12, lines 1-41);

Applicant traverses such assertions. Also, claim 1 is amended to further recite the features of the invention. In particular, claim 1 recites that the processor:

determines from a set of payment mechanisms a reduced set of payment mechanisms, the reduced set being a set of payment mechanisms from which one payment mechanism is determined to effect the transmission of funds, **the reduced set of payment mechanisms including at least two payment mechanisms**; and  
after determining the reduced set of payment mechanisms, the processor performs the optimization determination; and  
the processor effecting the transfer of funds using the determined payment mechanism

That is, the Office Action interprets the claimed features asserting that reducing the payment mechanism to one qualifies as a reduced set. However, claim 1 is amended to recite “the reduced set of payment mechanisms including at least two payment mechanisms”. Thus, the interpretation as set forth in the Office Action is precluded.

Further, in column 12, *as referenced in the Office Action*, Johnson teaches of an example of analysis of a transaction. That is, Johnson teaches that a transaction evaluator analyzes each transaction. Johnson describes for the credit card option, the transaction evaluator transmits information including the card number and the transaction amount (\$100) to the credit card issuer. In this example, the credit card issuer offers a rebate of \$1.20 for the transaction and additionally offers to take the risk if the transaction is fraudulent and/or repudiated by the customer. Johnson teaches if the merchant's (standard) discount rate is 3% for transactions on the credit card network, the net transaction processing terms correspond to receiving \$98.20 for the \$100 transaction (i.e., a net discount rate of 1.8%, not including amounts due to the transaction evaluator).

Johnson further teaches that for the electronic checking account debit option, in this

example there happens to be no special business relationship between the issuing bank and the transaction evaluator. The standard terms for a checking account debit thus apply. Johnson describes that in the end of the example, the transaction evaluator selects the credit card as the preferred transaction processing method.

However, such disclosure of Johnson fails to teach the particulars of claim 1. Claim 1 recites wherein the processor **determines from a set of payment mechanisms a reduced set of payment mechanisms**, the reduced set being a set of payment mechanisms from which one payment mechanism is determined to effect the transmission of funds, the reduced set of payment mechanisms including **at least two payment mechanisms**; **AND after determining the reduced set of payment mechanisms, the processor performs the optimization determination**.

Thus, the claimed invention reflects a two step decisioning process, and the particulars that go along therewith. Johnson fails to teach such features.

In column 10, lines 32-57, Johnson teaches that the transaction evaluator chooses one transaction method, and the subsequent processing based on that choice. Further, in column 17, line 53 - column 18, line 14, Johnson teaches that the cost/benefit for processing any given transaction may vary greatly between issuers and payment instrument types. For example, the issuer of a checking account may wish to discourage transactions, since balances in low-interest checking accounts are profitable and there is generally little profit in processing checks or debits. Further, Johnson teaches that there may be several ways to process transactions between a merchant and an issuer. For example, an issuer may authorize and/or encourage the use of non-traditional or non-standardized payment processing channels.

However, Applicant submits that these teachings also fail to set forth the particulars of

claim 1.

Applicant respectfully submits that Johnson fails to teach or suggest each and every feature as recited in claim 1. It is respectfully submitted that claim 1 is allowable at least for the reasons set forth above. Further, independent claims 21 and 41 recite patentable subject matter at least for reasons similar to those set forth above with respect to claim 1.

The dependent claims recite patentable subject matter based on their dependencies on the respective independent claims, as well as for the additional features such dependent claims recite.

Withdrawal of the 35 U.S.C. §103 rejection is respectfully requested.

C. Conclusion

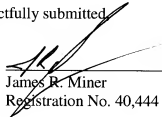
For at least the reasons outlined above, Applicant respectfully asserts that the application is in condition for allowance. Favorable reconsideration and allowance of the claims are respectfully solicited.

It is believed that no fee is due in connection with this filing. However, if it is determined otherwise, the Commissioner is hereby authorized to charge our Deposit Account No. 50-0206.

Respectfully submitted,

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